

CHAPTER 4

THE DIRECT PROCUREMENT METHOD (DPM)

- - 4000. Purpose and Scope. This section provides guidance for the preparation and shipment by the DPM. It provides criteria for selection and use of the DPM rather than the TGBL method and provides instructions for preparation and marking of DPM shipments and procurement of DPM services. This section applies to all DPM HHG and **UB** shipments when transportation services are acquired on the **PPGBL** or other shipping document.

4001. DPM **Services**. When DPM is-used, only the **linehaul** transportation service is provided by common carriers of freight. Approval by Headquarters, **MTMC**, is not required of commercial contractor providing DPM transportation services. Required materials (including containers) and services for the preparation, storage, and movement of DPM shipments are acquired by the contract. See paragraph 4007, below for contracting procedures.

4002. Selection of DPM.

- a. DPM may be used, when available, for:

- (1) Shipments to be held at a MOT pending final delivery instructions.

- (2) Shipments destined to Government-owned NTS facilities.

- (3) Shipments for which TGBL capability is not adequate to meet requirements.

- b. DPM may be considered for:

- (1) Shipments of HHG that weigh less than 500 pounds net when a cost comparison reflects DPM is cost effective.

- (2) Shipments for which meeting the RDD requires the use of an air mode to a destination for which Code T service has not been established.

4003. Routing by the PPSO. The PPSO is authorized to select the mode of transportation, the origin **linehaul** carrier, and the connecting carriers for the movement of DPM shipments. DPM shipments do not require export traffic releases (**ETRs**); **shipments will** be handled as prescribed by **DOD4500.32R, MILSTAMP**. Shipments will be routed to the military terminals designated by **MILSTAMP**.

4004. Use of DPM Air Mode. If the PPSO determines that use of the DPM air mode is essential to meet the member's requirements, the shipment shall be governed by the provisions of DOD 4500.32-R, **MILSTAMP**. In addition, for shipments sponsored by each military service, the following shall apply:

a. **Army-Sponsored Shipments.** For Army-sponsored DPM air shipments, the provisions of AR 55-71, 'Transportation of Personal Property and Related Services', shall apply.

b. **Air Force-Sponsored Shipments.** PPSOs shall comply with Chapter 9, AFR 75-25. All requests for TP-2 airlift to/from other than hardship areas will be routed through the applicable Major Command to **JPPSO-SAT FT SAM HOUSTON TX//DIR//**. **MILSTAMP** advance TCMD clearance documents forwarded to the SSCO or overseas ACA for shipments to/from other than hardlift areas must include a TH9 trailer card identifying the airlift approval authority.

c* **Navy-Sponsored Shipments.** For Navy-sponsored DPM air shipments, the provisions of NAVSUP Pub 490, 'Transportation of Personal Property', will apply. All DPM air shipments shall be cleared with the Navy Material Transportation Office (**NAVMTO**), Norfolk, Virginia, or the air routing activity **servicing** the overseas shipping office, as appropriate.

d. **Marine Corps-Sponsored Shipments.** For Marine Corps-sponsored air shipments, the Marine Corps policy concerning air shipment of household goods and unaccompanied baggage is contained in the Marine Corps Transportation Manual, MCO P4600.7C.

4005. Valuation of Shipments. Generally, the maximum released valuation applicable to the lowest rate or rating published by freight carriers shall be used for DPM shipments. Consideration must be given to use another code/mode of service when a member requests a valuation higher than that which is offered by the freight carrier.

4006. **Containers.** Authorized containers, including overflow and **oversize** containers, shall be constructed as specified in the technical provisions of the Performance Work Statement (**PWS**) for Packing, Containerization and Local Drayage of Personal Property Shipments (Appendix P). The policy on the use of overflow and oversize containers is also set forth in this document.

4007. Procedures.

a. **DPM Contracts.** Under the DPM, packing and containerization services **shall** be acquired by **contract**. The PWS or the technical provisions for Packing, Containerization and Local Drayage of Personal Property Shipments and the Bid Schedules or items to be ordered (Appendix P) shall be used for developing requirements in-acquiring packing and containerization services.

The contractual clauses used in the solicitation, award and administration of the contract are contained in the Federal Acquisition Regulation (FAR) and the Department of Defense Federal Acquisition Regulation Supplement (**DFARS**).

Annual estimates need to be annotated on the Bid Schedules and a copy of Appendix P provided to the appropriate contracting office for their coordination and preparation of the solicitation package.

(1) Inspection of shipments will be performed by using MT Form 360-R, Report of Contractor Services (Figure 4-1). Unsatisfactory services will be indicated by citing specific paragraphs or areas in the **PWS** and annotating this on MT Form 352-R, Contract Discrepancy Report (**CDR**) (Figure 4-2). When completed, the CDR will be forwarded to the contracting office for action. The contracting officer or contracting officer representative **will** take action (set-off deduction, cure letter, etc.), against the contractor in accordance with FAR Clause 52.246-4, Inspection of Services-Fixed-Price.

(2) Problems encountered in executing the PWS contract should be solved by the **PPSO**, with the assistance of the contracting officer. If a problem cannot be solved locally, it shall be fully documented and referred through channels to the responsible MTMC area command, overseas component, or designated MTMC representative.

(3) The PPSO shall base contractual requirements on both past experience and estimated future needs. Every attempt shall be made to ensure that contractual requirements are realistic. The PPSO shall establish areas of performance, as required, for contracting purposes. Both population density and traffic volume shall be considered in the establishment of areas of performance.

b. PWS Contract Administration.

(1) The PPSO is responsible for the routing and release of shipments and for arranging delivery to the line-haul carrier. Delivery to the line-haul carrier can be either by common carrier pickup at the contractor's facility or by local drayage by the contractor to the carrier's terminal.

(2) The PPSO shall establish a suspense file as a record of shipments on hand in each contractor's facility. The PPSO shall ensure that all shipments are containerized and ready for shipment according to the terms of the contract.

(3) If the contractor fails to comply with the terms of the PWS, the PPSO shall document deficiencies and follow procedure outlined in paragraph **4007.a.(1)** above.

c. DPM Procedures. The PWS or the technical provisions for the Packing, Containerization and Local Drayage of Personal Property Shipments (Appendix P) shall be used-to determine:

(1) Method of preparing and marking DPM shipments.

(2) How shipments will be weighed.

(3) Contractor's reporting requirements.

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(4) Shipment documentation.

d. **Consignment.**

(1) DPM shipments shall be consigned in accordance with the **PPCIG**.

(2) When the CONUS destination is not known for a shipment from overseas, the shipment **shall** be consigned to the pps0 at the MOT in CONUS. The statement "Hold for Storage in Transit" or "**Hold for Nontemporary Storage,**" as applicable, shall be stenciled on each container after the consignment data. In such cases the member, at the time application for shipment is made, **shall** provide the origin PPSO a leave or contact address in the space provided on the **DD** Form 1299. The origin PPSO shall forward this information to the PPSO at the MOT as soon as possible. The origin PPSO shall instruct the member to furnish disposition instructions to the MOT, either directly or through the most convenient **PPSO**, upon determination of the final destination.

(3) Shipments moving by military or commercial air will not be consigned for placement in a "hold" status, except when MAC TP-4 tariff rates apply or when air is the only available shipping method between the origin overseas area and CONUS. In those cases, the DPM shall be used to make delivery to the nearest MOT as follows:

(a) Shipments arriving at East Coast airports shall be delivered to the Military Ocean Terminal, Bayonne, New Jersey.

(b) Shipments arriving at West Coast airports shall be delivered to the Military Ocean Terminal, Bay Area, Oakland, California.

e. **Documentation for DPM Shipments Entering the DTS.**

(1) The PPSO will assign a TCN to each DPM personal property shipment entering the DTS. The TCN will be developed in accordance with DOD 4500.32R and annotated on the **PPGBL**, freight warrant, or other transportation acquisition document. When a shipment requires more than one transportation acquisition document, the same TCN shall be annotated on each document. The PPSO **shall** use the date of pick up from the member as the **julian** date in the construction of the TCN.

(2) The **TCMD** will be prepared for all DPM personal property shipments entering the DTS.

(3) After the TCMD is assembled, the shipper will offer the shipment for clearance before making the shipment. A clearance is required for all DPM personal property shipments entering the DTS (DOD 4500.32R). The shipper clears a DPM shipment by sending advance TCMD data to the appropriate clearance authority.

(4) DPM personal property shipments are considered cleared if the **clearance** authority has not challenged it by the hours/day entered in the advance TCMD shipped field.

(5) One copy of the **PPGBL** or other transportation acquisition document, annotated with the TCN, and a properly completed manual **TCMD**, together with other required documents, shall be placed in the waterproof pouch on the Number one container of the shipment. One copy of the inventory and one copy of the packing list shall be placed in an envelope inside the Number 1 container, in an easily accessible position. For shipments--released from NTS, the exception sheet, if applicable, shall also be included. Specific detail on the preparation and usage of **TCMDs**, **TCNs**, data elements, prime documents, and trailer cards are contained in DOD 4500.32R, **MILSTAMP**.

(6) The origin PPSO shall mail one copy each of **DD Form 1299** (Figure 1-2), member's orders, transportation document, and **PPGBL** to the destination **PPSO**, who has final delivery responsibility.

REPORT OF CONTRACTOR SERVICES				
PART I				
1. INSPECTING ACTIVITY	2. CONTRACTOR'S NAME	3. CONTRACT NUMBER	4. ORDER NUMBER	
SHIPMENT INSPECTED (Check appropriate box.) <input type="checkbox"/> RESIDENCE <input type="checkbox"/> CONTRACTOR'S FACILITY <input type="checkbox"/> OTHER _____			5. DATE/TIME	
7. PROPERTY OWNER'S NAME (Last, First, M. I.)	8. RANK / GRADE	9. SSN	10. P/u/DELIVERY ADDRESS	
INSTRUCTIONS. Information in Part I above is obtained from DD Form 1299, Part II will be completed during the inspection of services. Place an "A" in the square when the service is acceptable or a "U" when the service is unacceptable. When the service is not required, place an "NR" in the space. The appropriate contract paragraph number must be placed in the block marked REFERENCE when the service is unacceptable.				
PART II				
11. SERVICE	12. REFERENCE	13. SCHEDULES		
		I	II	III
1. Did the contractor perform a premove survey, if required?				
2. Did the contractor weigh the shipment in accordance with prescribed procedures?				
3. Was PBP&E properly weighed?				
4. Did the contractor reweigh in accordance with prescribed procedures?				
5. Was shipment picked up within agreed times on the agreed date?				
6. Was shipment delivered within agreed times on the agreed date?				
7. Do packing materials meet specifications?				
8. Were proper packing methods used?				
9. Was inventory properly prepared?				
10. Were appliances properly serviced as required?				
11. Were appliances properly unserviced as required?				
12. Were proper materials used to service appliances?				
13. Were articles properly containerized?				
14. Were articles properly loaded in the van?				
15. Were containers properly marked?				
16. Were containers properly remarked, when required?				
17. Were proper storage services provided?				
18. Were unloading services performed and were articles placed so they were readily accessible to the member?				
19. Were unpacking services performed or <i>Waived</i> ?				
20. Was debris removed from residence?				
21. Was loss and damage recorded on a DD Form 1640 at the time of delivery?				
22. Were weight tickets, GBL, and packing lists properly completed?				
23. Were documents returned to the ITO within the required time frame?				
14. REMARKS				
15. NAME OF CONTRACTOR NOTIFIED OF DISCREPANCIES (Last, First, M. I.)		16. SIGNATURE OF CONTRACTOR NOTIFIED OF DISCREPANCIES		
17. NAME OF INSPECTING OFFICIAL (Last, First, M. I.)	18. SIGNATURE OF INSPECTING OFFICIAL	19. DATE (Mo/Day/Year)		

CONTRACT DISCREPANCY REPORT			
1. CONTRACT NUMBER		2. REPORT NUMBER FOR THIS DISCREPANCY	
TO: (Contractor and Managers Name)		FROM: (Name of QAE)	
3. DATES			
RCPAREO		RETURNED BY CONTRACTOR	ACTION COMPLETE
6. DISCREPANCY OR PROBLEM: (Describe in detail: include reference to PWS Directive: attach continuation sheet if necessary.)			
7. SIGNATURE OF CONTRACTING OFFICER			
8. TO: (Contracting Officer)		FROM: (Contractor)	
9. CONTRACTOR RESPONSE AS TO CAUSE, CORRECTIVE ACTION AND ACTIONS TO RCVCNT RECURRENCE: ATTACH CONTINUATION SHEET IF NECESSARY. (Cite applicable Q. C. program procedures or new Q.C. procedures.)			
10. SIGNATURE OF CONTRACTOR REPRESENTATIVE			DATE
11. GOVERNMENT EVALUATION (Acceptance, partial acceptance, rejection; attach continuation sheet if necessary.)			
12. GOVERNMENT ACTIONS (Reduced payment, cure notice, show cause, other.)			
CLOSE OUT			
	NAME-TITLE	SIGNATURE	DATE
CONTRACTOR NOTIFIED			
QAE			
ACO			